

Quarterly TWIA Board of Directors Meeting on May 18th

The TWIA Board of Directors will hold its quarterly meeting on Tuesday, May 18 at 9:00 am. The agenda for the meeting can be found [here](#).

The Board will not consider a rate filing at the May 18 meeting. Among items expected to be considered by the Board are:

- Reinsurance procurement above the 1:100 probable maximum loss for the 2021 storm season;
- The renewal of a line of credit to allow for quickly paying claims in the event of a catastrophic storm impacting the Texas coast this year;
- Future refinancing options for TWIA's Series 2014 Class 1 securities.

Written comments may be submitted via email at PublicComment@TWIA.org. Interested parties are encouraged to submit comments by noon on Friday, May 14 to enable the Board to receive and review them prior to the May 18 meeting. All written comments will be provided to the TWIA Board regardless of when they are received. In addition, the public may provide verbal comments to the TWIA Board during the designated public comment portion of the meeting. Those wishing to make public comment during the meeting must register and log into the meeting via Zoom.

- Click [here](#) to register to attend the meeting via Zoom.
 - After registering for the meeting, you will receive a confirmation email with details on how to join the meeting via computer, tablet, smartphone, or telephone.
- The meeting will also be livestreamed via [YouTube](#).

An archived recording of the meeting will be available on TWIA's website after the meeting at www.twia.org/about-us/board-of-directors/archived-meetings.

2021 Legislative Session – What to Expect

Important Dates: See [End of Session Deadline Calendar](#)

29 Days left of the 87th Legislative Session.

May 10 – Last Day for House Committee to report House bills.

May 14 – Last Day for House to consider House bills.

May 22 – Last Day for House committees to report Senate bills and Senate joint resolutions

May 23 – Last Day for House Daily Calendar with Senate bills and Senate joint resolutions

May 26 – Last Day for House to consider Senate bills.

2021 Legislative Session – House and Senate Action

Property Tax and Appraisals

- **HB 988 – Appraisal Review Boards – Passed the House; Referred to Senate Local Government Committee** – requires appraisal review boards (ARBs) to adopt hearing procedures that conformed with model procedures issued by the comptroller and would establish a process for property owners to request limited binding arbitration to compel an ARB or chief appraiser of an appraisal district to take certain action.
- **HB 1869 – “Debt” Definition – Passed the House** – : The bill as filed would have modified the definition of “debt” for purposes of the debt service property tax rate calculation to only include debt approved at an election. As passed by the House, the bill gives cities the ability to debt finance certain infrastructure and

equipment (even if not first approved by the voters), addresses the City of Galveston's concerns with regards to the treatment of Emergency Anticipation Notes as debt for the purposes of property tax rate calculations, continues to allow use of Certificates of Obligation (COs) for water and wastewater projects, and several other amendments beneficial to cities.

- **SB 63 – Passed the Senate; House Ways & Means Committee Hearing Scheduled for Monday, May 10th** – the bill provides reforms to the governance of appraisal districts, improves transparency, access to trainings, and makes the appraisal process more responsive and easier for taxpayers to navigate. See [Bill Analysis](#).

“Defunding” Public Safety

- **HB 1900 – Passed the House** – applies certainly to municipalities with a population of 250,000 and determined to be a “defunding local government” who adopted a police department budget that is lower than the preceding fiscal year. The bill imposes numerous additional penalties on a “defunding” city in addition to a property tax rate limitation, including sales tax withholding, annexation restrictions, and a requirement to pay for and hold disannexation elections in every area annexed by the city over the preceding 30 years.
- **SB 23 – Passed the Senate; House Committee on State Affairs Hearing held on May 6th** – a Committee Substitute was heard by committee that applies the bill's provisions only to county governments in counties with a population over one million. The bill, as passed by the Senate prohibits local governments from reducing or reallocating funds from law enforcement budgets as compared to the preceding fiscal year without receiving voter approval. A three-year disaster exception is provided for local governments impacted by a natural disaster such as a hurricane, tornado, flood, wildfire, but not including drought, epidemic or pandemic. For the purposes of determining police budget reductions, the Senate-passed bill excludes: one-time extraordinary costs, as determined by the comptroller (for example, purchasing vehicles or constructing a training academy); revenues used to repay voter-approved debt; or donations, state or federal grants.

Other Public Safety

- **SB 22 – COVID Presumption – Passed Senate; House Committee on Business & Industry Favorably Reported; HB 541 – Passed House.** S.B. 22 and H.B. 541 would both establish a presumption that first responders that contracted or contract COVID-19 did so while on the job for purposes of certain benefits and compensation. At this point H.B. 541 establishes additional guardrails that are not present in S.B. 22 providing more certainty that COVID-19 was actually contracted on the job.
- **SB 24 – House Committee on Homeland Security & Public Safety favorably reported Committee Substitute** – relating to procedures required before a law enforcement agency hires a police officer. As passed by the Senate, the bill: 1) allows a hiring law enforcement agency to view the contents of a police officer's personnel file; 2) establishes preemployment procedural requirements before a law enforcement agency hires a peace officer; and 3) requires the Texas

Commission on Law Enforcement to establishes procedures that allows a person's employment records to be electronically available to a hiring law enforcement agency.

Emergency Management

- **CSSB 1160 – Gulf Coast Protection District – Passed Senate; House Committee on Natural Resources Favorably Reported with amendments (Summary attached)** – creates the Gulf Coast Protection District; providing authority to issue bonds; providing authority to impose fees; providing authority to impose a tax; granting the power of eminent domain. The Committee Substitute favorably reported also added several agreed upon changes: 1) language clarifying that this district is allowed to offer abatements under Chapter 312 of the Tax Code; adds Flood Control Districts to Sec. 9502.0309 in the bill; and adds language clarifying how reimbursements will be made to Transmission Distribution Utilities.
- **HB 3 – Pandemic Disaster Response – House Committee on State Affairs Favorably Reported Committee Substitute (CS)** – the CS provides for state and local government responses to a pandemic disaster; creates 10 member Pandemic Legislative Oversight Committee; prohibits certain local actions that impact business operations; prohibits local adoption of a property tax rate that exceeds the lesser of the no-new revenue tax rate or voter-approval rate if the political subdivision issues an order requiring closure of a private business in response to a pandemic disaster; provides for local and interjurisdictional pandemic emergency management; excludes pandemic disaster from what constitutes a disaster under the Texas Disaster Act of 1975. See [Bill Analysis](#) for details on CS and comparison to bill as filed.
- **SB 3 – Responses to weather emergencies and power outages – Passed the Senate; House Committee on State Affairs Hearing Held May 7th** – The bill sets forth provisions for preparing for, preventing, and responding to weather emergencies and power outages, and increases the amount of administrative and civil penalties. Section 24 in the bill would revise the definition of “affected utility to remove all prior exclusions – triggering backup power requirements for all water utilities that provide surface water to maintain water pressure at 35 PSI for power outages lasting more than 24 hours. What this provision does not seem to anticipate that disruption of water supplies can occur for different reasons (like the lines being breached in a storm, freezing and bursting or other acts of God) that we cannot guarantee or prevent. The City of Galveston submitted the attached Written Testimony.

Planning and Land Development

- **HB 4447 – House Committee on Land & Resource Management Favorably Reported** – The bill sets out provisions relating to procedures for approval of certain land development applications by a municipality or county. The bill revises provisions relating to municipal and county approval of a plat application to apply to the approval of a land development application and makes related changes. The bill, except as otherwise provided, prohibits a municipal body or a commissioners court or the court's designee, as

applicable, from requiring a person to submit a required document or fulfill any other prerequisites or conditions before the person submits a copy of a land development application. The bill is referred to the House Calendars Committee to placed on a calendar for floor consideration.

- **HB 1878 – House Committee on Land & Resource Management Favorably Reported** – The bill requires a county or municipality to allow an owner of a damaged residential building to immediately begin to conduct repairs to the building if the owner applies for an emergency permit to conduct repairs and the repairs are necessary to protect public safety, prevent further damage to the building, or protect the building's overall structural integrity. The owner may apply for an emergency permit by filing an application not later than the third business day after the later of the date the repairs commence or the date the county or municipality is able to accept the application. The bill would allow an owner of a residential building to bring an action against the county or municipality that violated state law for damages incurred due to the violation, recover reasonable attorney's fees and litigation costs if the owner prevails in the action, and waives governmental immunity of the city or county to suit and from liability to the extent of liability created by these prohibitions. The bill is referred to the House Calendars Committee to placed on a calendar for floor consideration.

Community and Economic Development

- **HB 3807 – Lifeguard towers and signage on coastal beaches - Passed the House; Referred to the Senate Committee on Natural Resources and Economic Development** – The bill requires municipalities, counties, and the Parks and Wildlife Department (TPWD) to provide lifeguard towers on each side of each pier, jetty, or other structure that protruded into the Gulf of Mexico, within its corporate boundaries, on public beaches, or within a state park or a single occupied lifeguard tower at each pier, jetty, or other structure that protrudes into the Gulf of Mexico that is located within the corporate boundaries if the single tower provides an unobstructed view of both sides of the structure. The towers would have to be occupied by lifeguards during reasonable daylight hours from March through November. The bill also would require posted signs within 100 yards of each structure describing the dangerous water conditions that could occur near the structure.

Transportation

- **HB 3665 – Definition of “bicycle”; rules of the road – Passed the House** – The bill expands the definition of "bicycle" for purposes of the rules of the road to include a device capable of being ridden solely using human power and that has two or more wheels, at least one of which is more than 14 inches in diameter, and a belt, chain, or gears. The bill specifies that the definition excludes a moped.
- **SB 1055 – Motor vehicle accidents within crosswalks – Passed Senate; House Committee on Transportation Favorably Reported** – expands the duties of a driver in the Transportation Code and provide penalties for motor vehicle drivers who inflict bodily injury or serious bodily injury to a pedestrian or individual who is lawfully utilizing a crosswalk in a roadway. Additionally, this bill adds definitions of motor and electric vehicles that are commonly used in crosswalk areas into statute. Meanwhile,

the companion bill, HB 2081, was favorably reported by the House Committee on Transportation.

Washington Update

Federal Advocacy Update Call: Coronavirus Local Fiscal Relief Fund Treasury Dept.

Guidance

Wednesday, May 12, 4:00 PM ET (3:00 PM CT)

Join NLC as we unpack guidance from Treasury on the allowable uses of the Coronavirus Local Fiscal Relief Fund in ARPA.

[REGISTER HERE >](#)

Senate Approves Bipartisan Water Infrastructure Bill

On April 29, the Senate voted 89-2 to [advance S. 914](#), the *Drinking Water and Wastewater Infrastructure Act of 2021*. The bill authorizes more than \$35 billion for drinking water and wastewater resource development projects across the country with a focus on upgrading aging infrastructure, addressing the threat of climate change, investing in new technologies, and providing assistance to marginalized communities. Of the total, more than 40 percent can be directly used to benefit small, disadvantaged, rural and Tribal communities through additional subsidization from the State Revolving Loan Funds or direct grant programs. Other provisions in the bill increase investments in lead abatement, promote resiliency projects, and increase investment to address recruitment, training and retention challenges facing the water and wastewater utility workforce. The bill now moves to the House for consideration.

EPA Announces \$6.5 Billion for Water Infrastructure Projects

Last week the Environmental Protection Agency (EPA) [announced](#) the 2021 notices of funding availability under the agency's [Water Infrastructure Finance and Innovation Act](#) (WIFIA) program and [state infrastructure financing authority WIFIA](#) (SWIFIA) program. This round of WIFIA funding will provide up to \$5.5 billion to support \$11 billion in water infrastructure projects and prioritizes five areas including supporting economically distressed communities and updating aging infrastructure. This round of funding will also provide SWIFIA borrowers up to \$1 billion to support \$2 billion in water infrastructure projects. Through a competitive process, EPA will select projects that it intends to fund and invite them to apply; letters of interest for WIFIA will be accepted until July 23 and for SWIFIA until June 25.

Bipartisan *Resilient Ports Act* would usher in key upgrades to U.S. ports

Chair of the Committee on Transportation and Infrastructure Peter DeFazio (D-OR), Transportation and Infrastructure Ranking Member Sam Graves (R-MO), and Chair of the Subcommittee on Coast Guard and Maritime Transportation Salud Carbajal (D-CA) introduced legislation to help ensure the nation's ports are resilient to extreme weather events, including sea-level rise and flooding. The bill also increases the percentage of funding set aside for inland ports to assist ports with infrastructure projects. You can find bill text [here](#).

Specifically, this bill:

- Creates a funding eligibility within the Port Infrastructure Development Program (PIDP) for port infrastructure projects that reduce the overall carbon footprint from port operations;
- Increases the set aside for inland river and small ports from 18% to 25% — such funds can be used for capital improvements to improve the movement of goods; acquire, repair, and maintain port equipment; and develop port improvement projects;
- Adds additional selection considerations for projects that address hazards to port infrastructure such as sea-level rise, flooding, and extreme weather events;
- Outlines resilience projects as those anticipating, adapting to, and recovering from disruptions to port infrastructure and vital operations; and
- Makes technical corrections within PIDP to clarify inland ports mean inland river ports.

Reports of Interest

[Legislation would help communities build grade crossings](#) - *Transportation Today* (May 3, 2021)

Disaster Recovery:

[HUD Should Take Additional Action to Assess Community Development Block Grant Fraud Risks](#)

GAO-21-177, May 5